

STATE OF MONTANA TERM CONTRACT

Department of Administration
State Procurement Bureau
165 Mitchell Building
PO Box 59620-0135
Helena, MT 59620-0135
Phone: (406) 444-2575 Fax: (406) 444-2529

T.C. # SPB02-29G

BULK PROPANE

This is an exclusive contract for the locations listed.

	FROM	February 1, 2002	CONTRACT YEAR	NEW (XX)
	TO	October 31, 2004		RENEW ()
VENDOR ADDRESS	VARIOUS VENDORS (SEE ATTACHED)		ORDER ADDRESS	
ATTN:			ATTN:	
PHONE:			PHONE:	

Prices: PER ATTACHED

Delivery: AS NEEDED

F.O.B.: DESTINATION

Terms: NET 30 DAYS

Remarks:

For information regarding this term contract, please contact:

Thomas M. Gustin, Program Officer
State Procurement Bureau, PO Box 200135
Helena MT 59620-0135
Phone: (406) 444-3312
e-mail: tgustin@state.mt.us

NOTE:

Effective 12/29/03, Johnson's Fuel Supply, Dutton MT has been removed from this contract and items #17, 18 & 20 have been cancelled.

Effective 07/20/04, the contact information for Amerigas listed in Section L has been revised.

Effective 07/30/04, item #51, Hill County, Vendor - Amerigas has been cancelled.

IFB/RFP No.:
SPB02-29G

THOMAS M. GUSTIN, Program Officer

AUTHORIZED SIGNATURE

STATE OF MONTANA - TERM CONTRACT

Standard Terms and Conditions

By submitting a bid, proposal, or limited solicitation, or acceptance of a contract, the vendor agrees to the following binding provisions:

ACCEPTANCE/REJECTION OF BIDS, PROPOSALS, OR LIMITED SOLICITATION RESPONSES: The State reserves the right to accept or reject any or all bids, proposals, or limited solicitation responses, wholly or in part, and to make awards in any manner deemed in the best interest of the State. Bids, proposals, and limited solicitation responses will be firm for 30 days, unless stated otherwise in the text of the invitation for bid, request for proposal, or limited solicitation.

ACCESS AND RETENTION OF RECORDS: The contractor agrees to provide the department, Legislative Auditor, or their authorized agents, access to any records necessary to determine contract compliance (Mont. Code Ann. § 18-1-118). The contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by the State of Montana or third party.

ASSIGNMENT, TRANSFER AND SUBCONTRACTING: The contractor shall not assign, transfer or subcontract any portion of the contract without the express written consent of the department. (Mont. Code Ann. § 18-4-141.)

AUTHORITY: The following bid, request for proposal, limited solicitation, or contract is issued in accordance with Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

CERTIFICATE OF AUTHORITY TO TRANSACT BUSINESS: Any business entity, domestic or foreign, intending to transact business in Montana must apply for authority to do so with the Montana Secretary of State. Foreign business entities are obligated to determine whether they are transacting business in Montana, in accordance with sections 35-1-1026 and 35-8-1001, MCA, and if so, must apply for and receive a certificate of authority and continue to be in good standing with the Secretary of State for the duration of the contract. Violation of these requirements may void the contract. Proof of authority is required. Questions or registration may be accomplished by contacting the Secretary of State at (406) 444-3665 or by e-mail at <http://sos.state.mt.us/css/index.asp>.

COMPLIANCE WITH LAWS: The contractor must, in performance of work under the contract, fully comply with all applicable federal, state, or local laws, rules and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by the contractor subjects subcontractors to the same provision. In accordance with section 49-3-207, MCA, the contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

CONFORMANCE WITH CONTRACT: No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without prior written consent of the State Procurement Bureau. Supplies delivered which do not conform to the contract terms, conditions, and specifications may be rejected and returned at the contractor's expense.

DEBARMENT: The contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the contractor cannot certify this statement, attach a written explanation for review by the State.

DISABILITY ACCOMMODATIONS: The State of Montana does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals, who need aids, alternative document formats, or services for effective communications or other disability-related accommodations in the programs and services offered, are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

FACSIMILE RESPONSES: Facsimile responses will be accepted for invitations for bids or limited solicitations ONLY if they are completely received by the State Procurement Bureau prior to the time set for receipt. Bids, or portions thereof, received after the due time will not be considered. Facsimile responses to requests for proposals are ONLY accepted on an exception basis with prior approval of the procurement officer.

FAILURE TO HONOR BID/PROPOSAL: If a bidder/offeror to whom a contract is awarded refuses to accept the award (PO/contract) or, fails to deliver in accordance with the contract terms and conditions, the department may, in its discretion, suspend the bidder/offeror for a period of time from entering into any contracts with the State of Montana.

HOLD HARMLESS/INDEMNIFICATION: The contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this agreement.

INTELLECTUAL PROPERTY: All patents and other legal rights in or to inventions arising out of activities funded in whole or in part by the contract must be available to the State for royalty-free and nonexclusive licensing. The contractor shall notify the State in writing of any invention conceived or reduced to practice in the course of performance of the contract. The State shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish or otherwise use and authorize others to use, copyrightable property created under the contract.

LATE BIDS AND PROPOSALS: Regardless of cause, late bids and proposals will not be accepted and will automatically be disqualified from further consideration. It shall be solely the vendor's risk to assure delivery at the designated office by the designated time. Late bids and proposals will not be opened and may be returned to the vendor at the expense of the vendor or destroyed if requested.

PAYMENT TERM: All payment terms will be computed from the date of delivery of supplies or services OR receipt of a properly executed invoice, whichever is later. Unless otherwise noted, the State is allowed 30 days to pay such invoices.

RECIPROCAL PREFERENCE: The State of Montana applies a reciprocal preference against a vendor submitting a bid from a state or country that grants a residency preference to its resident businesses. A reciprocal preference is only applied to an invitation for bid for supplies or an invitation for bid for nonconstruction services for public works as defined in section 18-2-401(9), MCA, and then only if federal funds are not involved. For a list of states that grant resident preference, see www.discoveringmontana.com/doa/ppd under Reciprocal Preference.

REFERENCE TO CONTRACT: The contract (Purchase Order) number MUST appear on all invoices, packing lists, packages and correspondence pertaining to the contract.

SEPARABILITY CLAUSE: A declaration by any court, or any other binding legal source, that any provision of the contract is illegal and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually dependent.

SHIPPING: Supplies shall be shipped prepaid, F.O.B. Destination, unless the contract specifies otherwise.

SOLICITATION DOCUMENT EXAMINATION: Vendors shall promptly notify the State of any ambiguity, inconsistency, or error, which they may discover upon examination of a solicitation document.

TAX EXEMPTION: The State of Montana is exempt from Federal Excise Taxes (#81-0302402).

TECHNOLOGY ACCESS FOR BLIND OR VISUALLY IMPAIRED: Contractor acknowledges that no state funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (Mont. Code Ann. § 18-5-603.) Contact the State Procurement Bureau at (406) 444-2575 for more information concerning nonvisual access standards.

TERMINATION OF CONTRACT: Unless otherwise stated, the State may, by written notice to the contractor, terminate the contract in whole or in part at any time the contractor fails to perform the contract.

UNAVAILABILITY OF FUNDING: The contracting agency, at its sole discretion, may terminate or reduce the scope of the contract if available funding is reduced for any reason. (Mont. Code Ann. § 18-4-313 (3).)

U.S. FUNDS: All prices and payments must be in U.S. dollars.

VENUE: This solicitation is governed by the laws of Montana. The parties agree that any litigation concerning this bid, request for proposal, limited solicitation, or subsequent contract, must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (Mont. Code Ann. § 18-1-401.)

WARRANTIES: The contractor warrants that items offered will conform to the specifications requested, to be fit and sufficient for the purpose manufactured, of good material and workmanship and free from defect. Items offered must be new and unused and of the latest model or manufacture, unless otherwise specified by the State. They shall be equal in quality and performance to those indicated herein. Descriptions used herein are specified solely for the purpose of indicating standards of quality, performance and/or use desired. Exceptions will be rejected.

Revised 12/01

A. SCOPE OF CONTRACT

This document establishes a contract for supplying bulk deliveries of propane to the various State of Montana locations stated herein for the period from date of award through October 31, 2004.

B. CONTRACT RENEWAL

This contract may, upon mutual agreement between the parties and according to the terms of the existing contract, be extended in one (1) year intervals for a period not to exceed four (4) additional years.

C. TANKS

Propane tanks at each location are designated as "State" owned or "Vendor" (to be supplied by the contract holder). Previous contract holders will be removing their tanks for replacement by the new contract holders, as required.

THE COST OF TANK CHANGEOVERS RESULTING FROM CONTRACT AWARD SHALL BE SOLELY THE RESPONSIBILITY OF THE SUCCESSFUL VENDOR. TANK RENTAL FEES, IF ANY, ARE TO BE INCLUDED IN THE BID PRICE PER GALLON.

D. WORKERS' COMPENSATION/INDEPENDENT CONTRACTORS EXEMPTION

The contractor is required to supply the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135, with proof of Workers' Compensation Insurance or Independent Contractors Exemption covering the contractor while performing work for the State of Montana. (Mont. Code Ann. §§ 39-71-120, 39-71-401, and 39-71-405.) Neither the contractor nor its employees are employees of the State. The proof of insurance/exemption must be valid for the entire contract period and must be received by the State Procurement Bureau within 10 working days of the Request for Documents Notice.

CONTRACTS WILL NOT BE ISSUED TO VENDORS WHO FAIL TO PROVIDE THE REQUIRED DOCUMENTATION WITHIN THE ALLOTTED TIME FRAME.

Coverage may be provided through a private carrier or through the State Compensation Insurance Fund (406) 444-6500. An exemption can be requested through the Department of Labor and Industry, Employment Relations Division (406) 444-1446.

E. INSURANCE REQUIREMENTS

General Requirements: The contractor shall maintain for the duration of the contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability which may arise from or in connection with the performance of the work by the contractor, agents, employees, assigns, or subcontractors. The insurance shall cover such claims as may be caused by any negligent act or omission.

Primary Insurance: The contractor's insurance coverage shall be primary insurance as respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees or volunteers shall be in excess of the contractor's insurance and shall not contribute with it.

Specific Requirements for Commercial General Liability: The contractor shall purchase and maintain Occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of the contractor or its officers, agents, representatives, assigns or subcontractors.

Additional Insured Status: The State, its officers, officials, employees, and volunteers are to be covered as additional insureds; for liability arising out of activities performed by or on behalf of the contractor, including the insured's general supervision of the contractor; products and completed operations; premises owned, leased, occupied, or used.

Deductibles and Self-Insured Retentions: Any deductible or self-insured retention must be declared to and approved by the state agency. At the request of the agency either: (1) The insured shall reduce or eliminate such deductibles or self-insured retention's as respect to the State, its officers, officials, employees, and volunteers; or (2) The contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

Certificate of Insurance/Endorsements: Insurance must be placed with an insurer with a Best's rating of no less than A-. The certificate must also include the State's purchase order number or contract number. This insurance must be maintained for the duration of the contract. The State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135, must receive all required certificates and endorsements within 10 days from the date of the Request for Documents notice before a contract or purchase order will be issued. Work may not commence until a contract or purchase order is in place. The Contractor must notify the State immediately, of any material change in insurance coverage, such as changes in limits, coverage, change in status of policy, etc.

F. DELIVERIES

Deliveries are to be made within a reasonable time frame as designated by the individual ordering agency. Failure to comply with agency requirements may result in contract termination.

G. SAFETY

All contract holders must comply with the safety guidelines for propane storage, use and handling under OSHA SECTION 1910.110.

H. CONTRACT VOLUME DISCLAIMER/INTENT

The gallon figures listed for each location are based on annual estimates, strictly for award purposes, and in no way constitute an obligation on behalf of the State. Actual amounts purchased may vary depending upon needs.

The intent of this contract is to provide state agencies with a means of procuring Bulk Propane. However, the State does not guarantee quantities or usage. It is the individual agencies' responsibility to comply with the terms of the contract.

I. VENDOR QUOTATION AND AWARD PROCESS

This contract was awarded by numbered location to the vendor with the lowest bid price(s) per gallon for each location. A maximum number of three (3) places to the right of the decimal point on a dollars per gallon basis is allowed. All contract pricing is F.O.B. destination.

Preferences for residency, in-state manufacture and reciprocity were NOT considered for award per section 2.5.408, Administrative Rules of Montana.

J. PRICE CHANGES

Contract propane prices shall be adjusted monthly based on the average rack price of the Cenex/Country Energy refinery, Laurel, Montana and Conoco and Exxon refineries, Billings, Montana postings from approximately the first working day of the month. Contract pricing adjustments will be made effective on the 15th day of each month beginning January 15, 2002 to reflect the cents-per-gallon change in the "average" Montana refinery prices noted above.

The contract pricing will be adjusted monthly, initially by comparing the posted price of November 20, 2001, calculated to be \$0.362/gallon, versus the posted price of the first working day of January 2002, and so on. This price change will be added to or subtracted from the previous month's contract price for all delivery locations. The State Procurement Bureau will issue pricing addenda to contract holders and agencies to take effect by the 15th of each month.

No price increase may be applied to a late delivery, if the increase resulted from a delivery not made within the time frame established by this contract.

In the event this pricing structure becomes unworkable or detrimental to the State, or does not accurately depict market conditions, the State reserves the right, at its discretion, to make modifications to the pricing structure to reflect market conditions or to cancel the contract by giving 45 days written notice to contract holders. The State may not be held liable for any costs of lost profits resulting from contract cancellations.

K. INVOICES

Itemized invoices must be furnished to agencies on all deliveries, referencing the Term Contract Number (SPB02-29G), state location, date of delivery, and quantity of product delivered.

In all cases, billing and invoicing of propane purchases shall be directed to the department or agency with authority over the specific delivery location. A copy of the delivery ticket will be left at the delivery location. Contract holders will secure the proper billing and invoicing address for each awarded location.

L. VENDOR DIRECTORY**ALDERMAN OIL**

Alderman Oil Company
Gary Alderman
PO Box 120
Broadus MT 59317
Phone: (406) 436-2980
Fax: (406) 436-2456
Fed. I.D. No.: 81-0446493

AMERIGAS

Amerigas Propane L.P.
Dan Ciesielski, Market Manager
933 West Main
Riverton WY 82501
Phone: (307) 857-5705 or
(307) 857-5693
Fax: (307) 857-5706
Fed. I.D. No.: 23-2787917
Email: ciesielskid@amerigas.com

ANDERSON OIL

Anderson Oil Company
Andy Anderson
316 – 1st Avenue South
Glasgow MT 59230
Phone: (406) 228-2713
Fax: (406) 228-8021
Fed. I.D. No.: 81-0399334

AXMEN PROPANE

Axmen Propane, Inc.
Ed Kimbrell
PO Box 989
Frenchtown MT 59834
Phone: (888) 543-7515
Fax: (406) 626-2598
Fed. I.D. No.: 81-0530437

BREEN OIL

Breen Oil Company
Jerry Breen
PO Box 10
Choteau MT 59422
Phone: (406) 466-2575
Fax: (406) 466-5874
Fed. I.D. No.: 81-0429780

CENEX/MILES CITY

Cenex – Harvest States
David Corbin
PO Box 1440
Miles City MT 59301
Phone: (406) 232-1350
Fax: (406) 232-3800
Fed. I.D. No.: 41-0251095

CENTRAL MT PROPANE

Central Montana Propane, LLC
Dean Stapleton
PO Box 558
Lewistown MT 59457
Phone: (406) 538-3953
Fax: (406) 538-9777
Fed. I.D. No.: 81-0513866

CROSS PETROLEUM

Cross Petroleum Service
James F. Steffen
PO Box 1388
Glendive MT 59330
Phone: (406) 365-8325
Fax: (406) 365-6315
Fed. I.D. No.: 81-0347944

ENERGY PARTNERS-MSLA

Energy Partners, LLC
Mark Sol
1700 – W. Broadway
Missoula MT 59808-2099
Phone: (406) 541-6800
Fax: (406) 541-6804
Fed. I.D. No.: 81-0535898

ENERGY PARTNERS-RONAN

Energy Partners
Bill Couch
1408 – Highway 93 South
Ronan MT 59864
Phone: (406) 676-2201
Fax: (406) 676-8295
Fed. I.D. No.: 81-0535898

EZZIE'S

Ezzie's Wholesale, Inc.
Lary Poulton
PO Box 1770
Malta MT 59538
Phone: (406) 654-2331
Fax: (406) 654-2887
Fed. I.D. No.: 81-0380421

FUO-PLENTYWOOD

Farmers Union Oil Co.
L. James Kibbe
301 – W. 1st Avenue
Plentywood MT 59254
Phone: (406) 765-1171
Fax: (406) 765-1227
Fed. I.D. No.: 81-0134175

FARSTAD OIL

Farstad Oil, Inc.
Rick Roedocker
PO Box 31195
Billings MT 59107
Phone: (800) 735-4479
Fax: (406) 259-5334
Fed. I.D. No.: 45-0325753

HERITAGE PROPANE

Heritage Propane
dba Northern Energy
Lloyd Pope
68 – Snow Creek Drive
Bozeman MT 59718
Phone: (406) 587-1888
Fax: (406) 587-4837
Fed. I.D. No.: 73-1495293

HOME OIL

Home Oil/Pelican Oil, Inc.
Lonnie Anderson
PO Box 126
Forsyth MT 59327
Phone: (406) 356-7815
Fax: (406) 356-2182
Fed. I.D. No.: 81-0378548

JOHNSON'S – REMOVED FROM CONTRACT

Johnson's Fuel Supply
Gary Johnson
10 – West Frontage Road
Dutton MT 59433
Phone: (406) 476-3282
Fax: (406) 476-3225
Fed. I.D. No.: 81-0300677

LEWISTOWN PROPANE

Lewistown Propane LP Gas
& Fertilizer
Gene Meier
PO Box 88
Lewistown MT 59457
Phone: (406) 538-8791
Fax: (406) 538-5171
Fed. I.D. No.: 81-0240394

MILLER OIL

Miller Oil Company
Vicki Miller
PO Box 408
Culbertson MT 59218
Phone: (406) 787-6271
Fax: (406) 787-6357
Fed. I.D. No.: 81-0395004

PIONEER GARAGE

Pioneer Garage, Inc.
George Hageman
PO Box 26
Jordan MT 59337
Phone: (406) 557-2263
Fax: (406) 557-2397
Fed. I.D. No.: 81-0309678

V-1 PROPANE

V-1 Oil Company
Robert Clayton
PO Box 2436
Idaho Falls ID 83403-2436
Phone: (208) 522-1210
Fax: (208) 522-1452
Fed. I.D. No.: 82-0195565

WOODHALL DISTR.

Woodhall Distributing
Wyatt Woodhall
PO Box 9
Stanford MT 59479
Phone: (406) 566-2671
Fax: (406) 566-2203
Fed. I.D. No.: 91-1878045

M. AWARD

Award document: [spb02-29gaward.pdf](#)